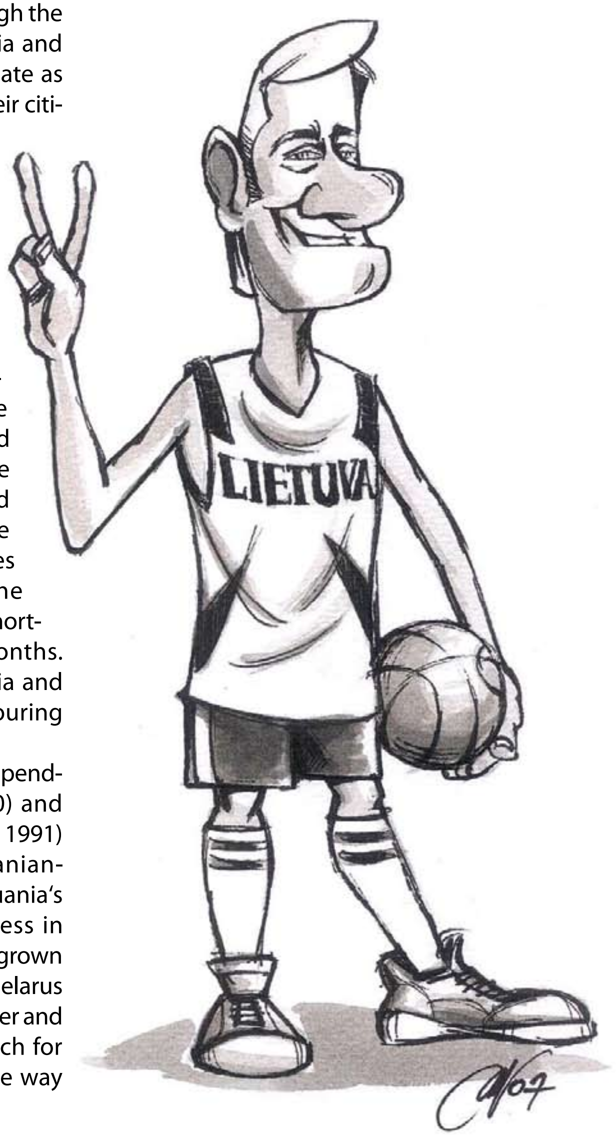
Over the Hedge

Comparing life in Lithuania and Belarus

Eastern Europe Studies Centre

A comparison of socio-economic life conditions of Lithuania and Belarus

Fate has made Lithuania and Belarus neighbours from times immemorial. Although the present names the states of Lithuania and Belarus emerged on world maps as late as the beginning of the 20th century, their citizens – Lithuanians and Belarussians – have lived together through joy and flourishing, through famine and wars for many centuries.



In the times of the Grand Duchy of Lithuania (13 – 16th c.) and the Republic of the Two Nations (1569-1795) Lithuanians and Belarussians were subject to the same rulers. During the period of the Russian Empire (18th-19th c.) both nations experienced the same sorts of tsarist pressures. The interim period between the two World Wars bore witness to the creation of the common state (the states themselves had never expressed this wish), the so-called Litbel, even though it was short-lived and existed for only a few months. Finally, starting from 1940s, Lithuania and Belarus were the „fraternal" neighbouring republics of the Soviet Union.

Since the end of the Cold War Independent Lithuania (as of March 11, 1990) and Independent Belarus (as of August 25, 1991) have been neighbours. The Lithuanian-Belarusian border (678,8 km) is Lithuania's longest external border. Nevertheless in the past decade the two states have grown apart. After the 1990s, Lithuania and Belarus seem to have turned backs to each other and decided to go different ways in search for happiness. Lithuania has selected the way

via the West. Belarus seems to have decided that happiness would come itself and has remained in the same place virtually unchanged. Both countries are convinced that they have made the right decision.

The present publication takes the standpoint of an ordinary Lithuanian and an ordinary Belarusian and seeks to provide a brief and, as far as possible, objective assessment of whose way to happiness is shorter, easier and more convenient. The comparison is based on several cuts which have been identified as reflecting the needs of an average citizen. These are prices for food and household items, salaries, state payments, taxes, utility service charges and main opportunities and prices for leisure time activities.

The text does not pretend to be a scientific study; rather, it is an attempt to compare the collected facts and to present preliminary minimal generalizations. Readers of this publication are invited to make conclusions themselves.



Which one is bigger?

At first sight Belarus and Lithuania can hardly be compared. The area of Belarus is approximately three times the area of Lithuania (207 600 km² and 65 300 km² respectively). The number of population is also three times greater in Belarus - 9,7 million versus 3,38 million in Lithuania (see Figures 1 and 2).

Naturally, the Gross Domestic Product (GDP) is greater in Belarus than in Lithuania: it amounts to approximately 29,36 billion EUR in Belarus and 23,8 billion EUR in Lithuania. Interestingly, although in terms of the territory and the number of inhabitants the ratio between Belarus and Lithuania is about 3:1, this great difference is not readily observable when compar-

Fig.1 : A comparison of the territory of Lithuania and Belarus (in thousand km²)

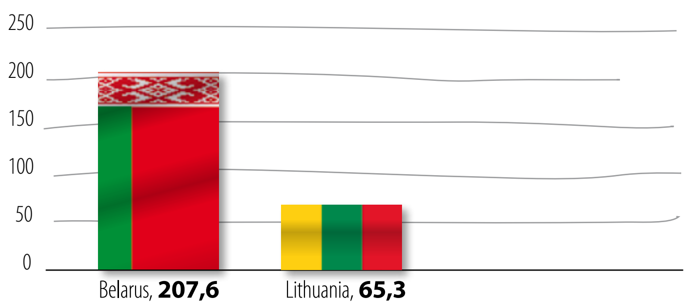
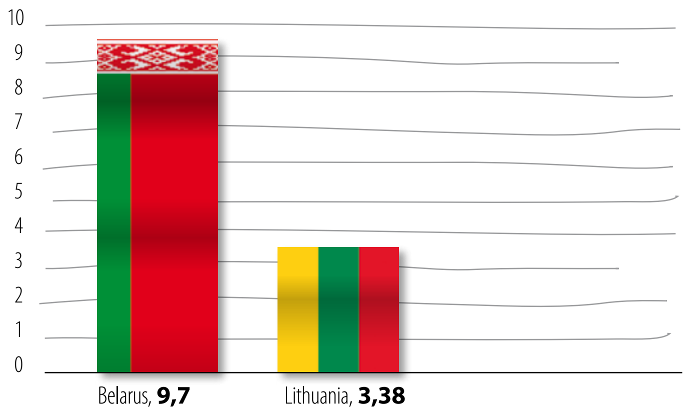


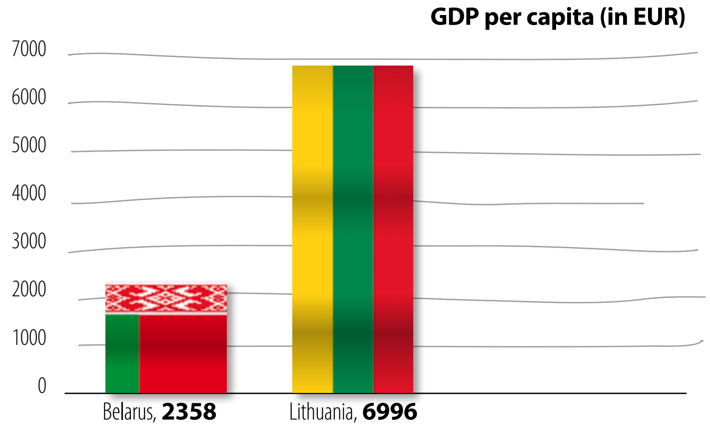
Fig. 2: A comparison of the number of the population of Lithuania and Belarus (mln.)



ing the GDP of the two countries – in the ratio of 1.25:1. In other words, despite its advantage in the territory and population, Belarus only slightly surpasses Lithuania in general economic sense. Thus, the index of the GDP per capita in Lithuania is three times as much as the Belarusian index (see Figure 3), i.e., a Lithuanian citizen has a GDP share three times the size of a Belarusian GDP per capita.

Still, these are not the most relevant objective criteria which may be used to assess the quality of life conditions. Let us look at very specific aspects. We shall begin with earned income – how much one can earn in Lithuania and in Belarus.

Fig. 3[1]: GDP per capita (in EUR)



To earn a living Lithuanians head for Ireland, and Belarusians (if could) – for Lithuania

The average salary in Lithuania is remarkably higher than in Belarus. The average Lithuanian earns about 434,4 EUR per month, whereas Belarussians have to do with a salary which is nearly twice as less, or more (see Figure 4). Therefore, individual efforts and work are appreciated in Lithuania more than in Belarus. This observation is supported by a comparison of the average per hour payment of the average

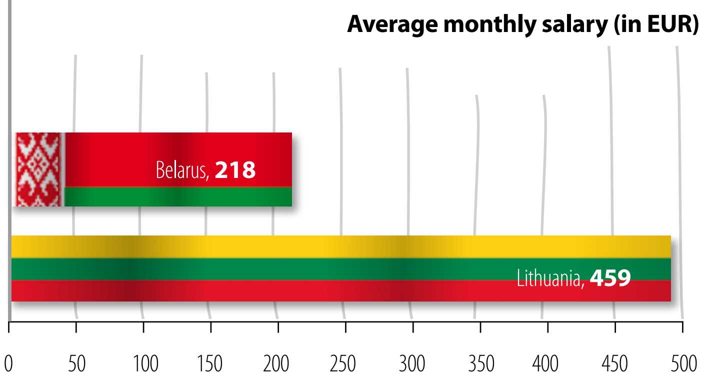
[1] The 2006 data. Sources: in Lithuania – The Department of Statistics of LR; in Belarus – The Ministry of Statistics and Analysis.



Lithuanian and the average Belarusian (see Figure 5).

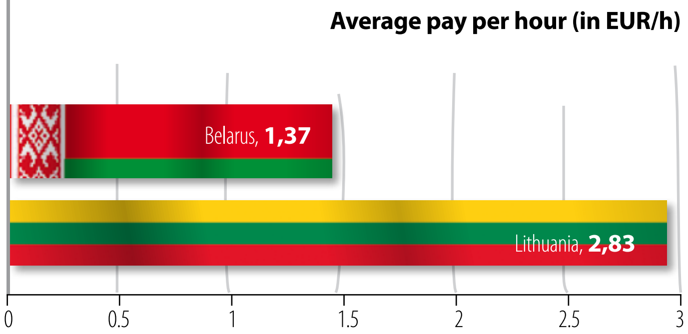
On the one hand, higher salaries and higher pay per hour point to a higher level of the development of economics in Lithuania. Besides, bearing in mind that Lithuanian salaries are among the lowest ones the European Union, salaries of Belarusian citizens look meager still. On the other hand, this is only one of the segments of socioeco-

Fig. 4[1]: Average monthly salary (in EUR)



[1] The 2006 data. Sources: in Lithuania – The Department of Statistics of LR; in Belarus – Ministry of Statistics and Analysis.

Fig. 5[1]: Average pay per hour (in EUR)

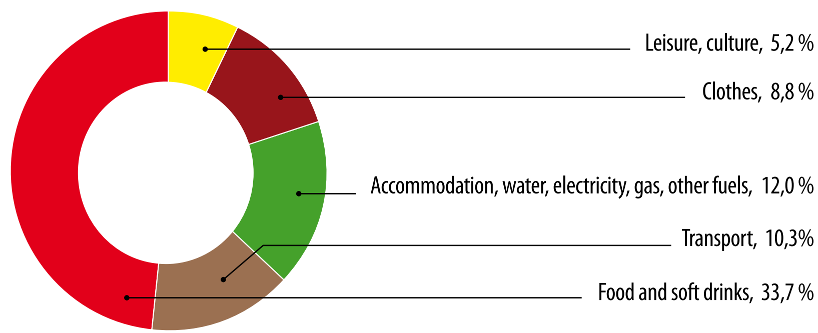


nomic conditions, and these data need be assessed in a much wider context. A huge salary may not necessarily mean a better life if prices for goods and services are cosmic. In other words, the income received has to be assessed in terms of expenses.

Greatest expenses – for food and accommodation

If we look at the structure of expenses of ordinary Lithuanian and Belarusian citizens, we will see that in the same categories both distribute their income along the same lines (see Figures 6 and 7). The largest part of the income is spent on food, a similar per cent

Fig. 6[2]: Household expenses in Lithuania

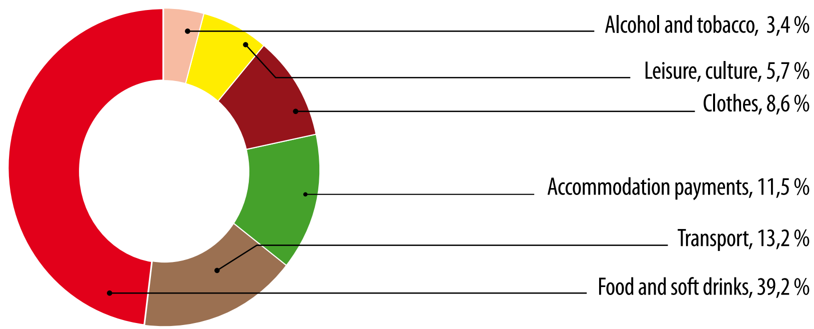


[1] In Lithuania – the average pay per hour for 2006 (source – The Department of Statistics of LR). In Belarus – the average pay per hour for January-August, 2006 (source – CIS Executive Committee, www.cis.minsk.by).

[2] The 2006 data. Source – The Department of Statistics of LR.

covers expenses for the accommodation, new clothes, and transportation. This shows that consumer habits in both countries are very similar. Although absolute numbers reveal differences in prices (as will be shown below), they look less dramatic considering the relation of income received to expenses. This is particularly true of consumption. The true difference of socioeconomic conditions may be revealed only by taking a detailed look at various aspects of daily and then considering the information as a whole.

Fig. 7[1]: Household expenses in Belarus



Bread, milk, and meat – cheaper, apples – more expensive

Let us now look at how much staple products cost in Vilnius and Minsk, the capitals of Lithuania and Belarus, and what are their prices in regional centers – Šiauliai and Vitebsk respectively.

Judging by food products, one can notice some tendencies in prices. Thus, milk and bread are cheaper in Belarus than in Lithuania, both in the capital and in the regions. The same is true of pork – buying 1 kg of pork loin in a supermarket (SM) or a market, one will have to scrape up more Eurocents in Lithuania than in Belarus. Interestingly, Belarussians buy apples at a much higher price than Lithuanians (see Figures 8 and 9).

[1] The data for the first quarter of 2007. Source – http://naviny.by.

Fig. 8[1]: Food prices (EUR)

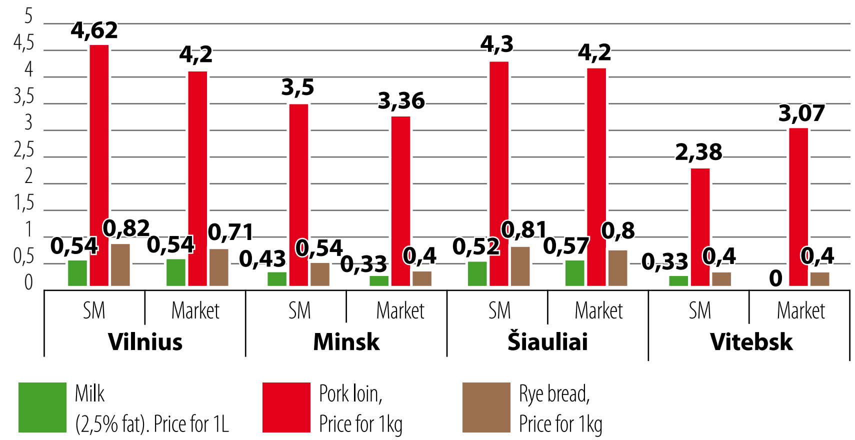
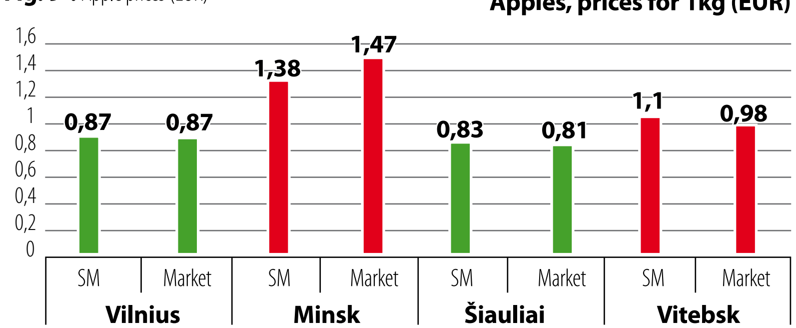


Fig. 9[2]: Apple prices (EUR)



TV – in Belarus, car – in Lithuania

Similar tendencies can be observed analyzing the markets of household goods. For example, a comparison of prices for a regular and an LCD colour TVs reveals that both types are cheaper in Belarus (see Figure 10).

However, if we consider another very important attribute of a modern family – the automobile, - we will see that in Belarus its price is much higher. A comparison of prices for „Volkswagen Golf" (year of production 1996), one of the most popular „folk transportation" means, at car markets in Lithuania

[1] Data for Lithuania are based on average prices for the months May-June, 2007 in the supermarkets „Maxima", „Rimi" and „Iki" (in Vilnius and Šiauliai) and in the market (in Vilnius – the Kalvarijų Market, in Šiauliai – the Central Market) Data for Belarus are based on average prices for the months May-June, 2007 in the supermarkets and in the market.

[2] Ibid.

and Belarus shows that Lithuanians can purchase a „Golf" at a much cheaper price (see Figure 11). This is why Belarussians go to Marijampolė to buy a car. However, rather than buying petrol in Lithuania they had better tow the newly-bought „Golf" to Belarus, where petrol prices is cheaper (see Figure 12).

Having taken care of food, a TV, and a car, we only need to find where to live. An ordinary person who is satisfied with peaceful life in the suburbs will find flats in Minsk or Vitebsk cheaper than in Lithuania. As can be seen from Figure 13, a 3-room flat in the suburbs costs more or less the same amount of money – about 60.000 EUR both in Minsk

Fig. 10[1]: TV prices (EUR)

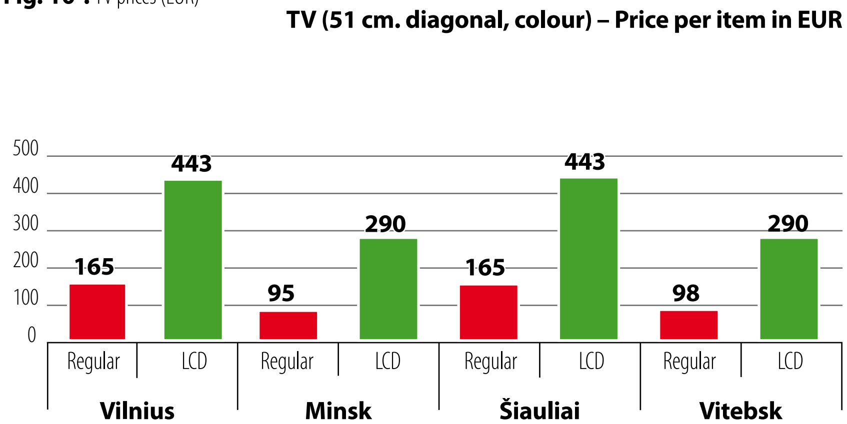
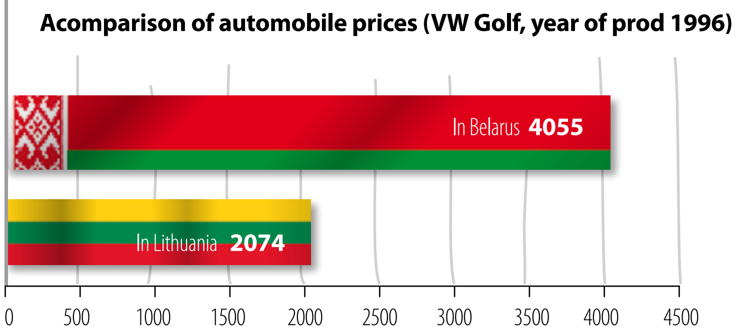


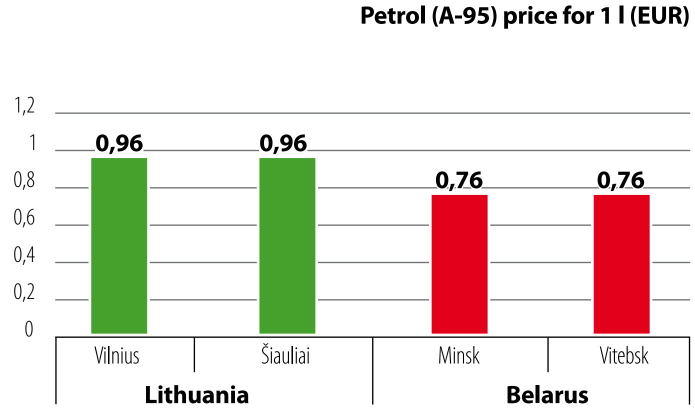
Fig. 11[2]: Prices for „Volkswagen Golf" (EUR)



[1] Compared TVs: LCDs with 51 cm diagonal; regular TVs with 54 cm diagonal. Source: www.elektromarkt.lt, www.senukai.lt, "Topo centras". Data for Belarus have been collected from variuos sources.

[2] Source in Lithuania - www.autoplius.lt; In Belarus – www.avtomir.by; www.autolux.by.

Fig. 12[1]: Petrol prices (EUR)



and Šiauliai, whereas in Vilnius a flat like this will be much more expensive – about 97.000 EUR. In Vitebsk a 3-room flat can be bought for as little as 22.001 EUR.

Naturally, after a flat has been bought, its maintenance becomes a relevant issue – how much electricity, gas, and water is going to cost. Comparing the money spent on these services, one can see that accommodation-related expenses are cheaper in Belarus. The price for electricity in Lithuania constitutes 0,09 EUR/kWh (kilowatt-hour), whereas in Belarus – 0,04 EUR/kWh. The cubic meter of natural gas for private users with gas meters is 0,32 EUR in Lithuania as compared to 0,08 EUR in Belarus.

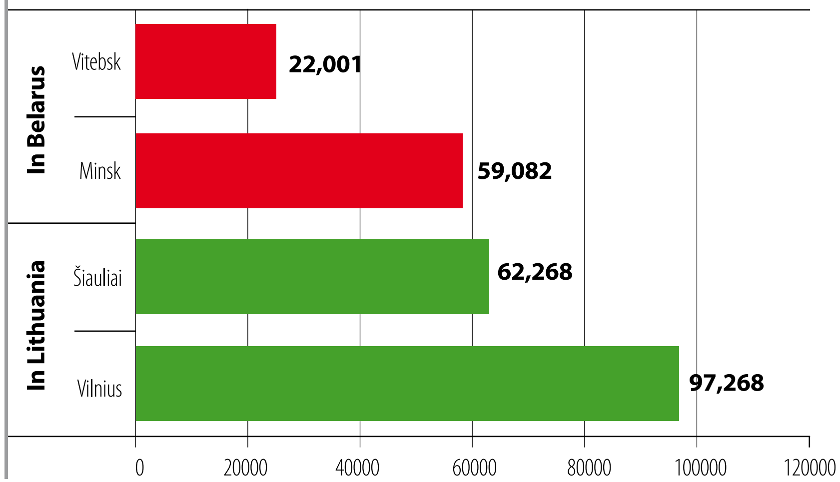
For 1 m^3 of cold water Šiauliai residents pay the dearest – 1,38 EUR; they are followed by Vilnius residents who spend 1,19 EUR. To Belarussians cold water costs virtually nothing – 0,13 EUR/m^3[2]. The price difference for hot water in Lithuania and Belarus is not so dramatic. In Šiauliai 1 m^3 of hot water costs 3,3 EUR, which again is the highest price across the cities compared. To Vilnius dwellers 1 m^3 of hot water costs 2,97 EUR. Water heating prices in Belarus are around 12,63 EUR/hK (per hectocalorie): 1 hK heats approximately 4,27 m^3 of water. Therefore, in Belarus 1 m^3 of hot water costs 2,95 EUR, i.e., nearly as much as in Lithuania.

To summarize, in terms of expenses life in Belarus is generally cheaper than in Lithuania (if we refused apples and a car). On second thought, however, prices on goods necessary to satisfy minimal needs do not reflect the real level of welfare. Therefore we shall proceed with our pursuits.

[1] Source in Lithuania - www.lukoil.lt, www.statoil.lt, "Neste" (2007 m. gegužės 29-31 d.). The data for Belarus have been collected from various sources.

[2] Sources: In Lithuania – "Vilniaus vandenys", "Šiaulių vandenys, "Rytų skirstomieji tinklai" ir "Vakarų skirstomieji tinklai". In Belarus – Interfax, "Оплата услуг жилищно-коммунального хозяйства за Июнь 2007 года", 2007-07-07. /"Payment for household and utility services for June 2007"/- http://www.interfax.by/?id=12_3&arch=1&arch_id=21500; data provided by private users.

Figure 13[1]: Average prices for three-room flats in the suburbs (EUR)



Theatre, cinema, trolleybuses ...

Let us now leave households and move to the public space to see how much culturally educated Belarussians and Lithuanians have to pay to go to such significant institutions as the theatre and the cinema. Figures 14 and 15 show average prices for such social events. Notably, both in Vilnius and Vitebsk, ticket prices to a film/performance in the same cinema/ theatre vary from twice as much to eight times as much per ticket. However the general picture is more or less the following: tickets to the theatre in Lithuania are much more expensive than those in Belarus, whereas the difference in prices for tickets to the cinema is not so dramatic.

Upon the selection of the desired performance or film one only has to get to the place where it is shown. One of the simplest ways to do it is public transport. If you decide to go by bus or by trolleybus, and individual trip in Vilnius will cost you 0,32 EUR, in Šiauliai – 0,29 EUR, in Minsk – 0,17 EUR, and in Vitebsk – 0,14 EUR (see Figure 16).

Getting around in public transport is convenient not only because it helps save on petrol, but also because it lets one stop by a cafe or a bar after the performance or film and have a couple of glasses of beer. In this respect Lithuanians will save on beer: in

1 The prices compared pertain to flats in houses of old construction type in the suburbs. Source in Lithuania - www.ober-haus.lt; in Belarus – www.realt.by as well as other sources.

Fig. 14[1]: Prices for theatre tickets

A comparison of theatre ticket prices (EUR)

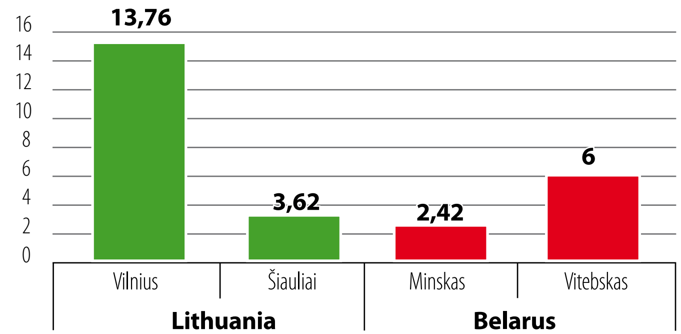


Fig. 15[2]: Prices for cinema tickets

A comparison of cinema ticket prices (EUR)

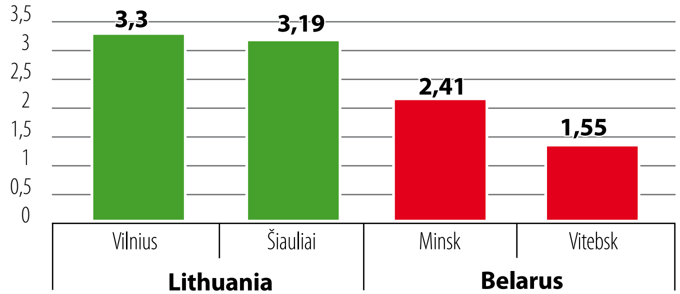
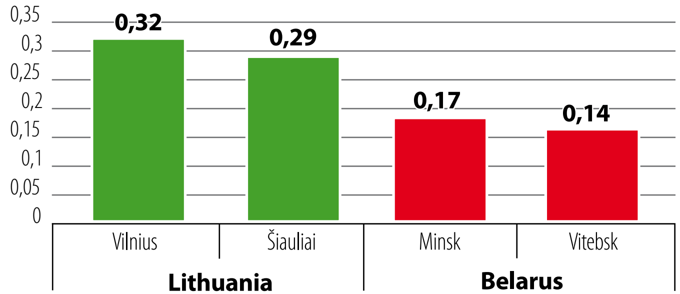


Fig. 16[3]: Ticket prices for public transportation

Individual ticket in public transport. Price (EUR)



1 The data provided are average prices for theatre tickets.
2 The data provided are average prices for theatre tickets.
3 Prices for public transport ticket prices at the newsagent's.

Vilnius a glass of Lithuanian beer costs on average 1,73 EUR, while in Minsk the most popular Belarusian beer costs about 2,1 EUR (see Figure 17).

After a nice cold glass of beer and having missed the last bus, one will have to get back home by taxi. In Belarus (Minsk) this will cost about 0,35 EUR/km. It should be pointed out that, whatever the distance, one will have to pay at least 1,7 EUR. In Lithuania (Vilnius), a trip by taxi will cost on average 0,49 EUR/km (see Figure 18).

A COMPARISON OF THE REPERTOIRES OF MOVIE THEATERS IN MINSK AND IN VILNIUS (JULLY 11ST 2007)

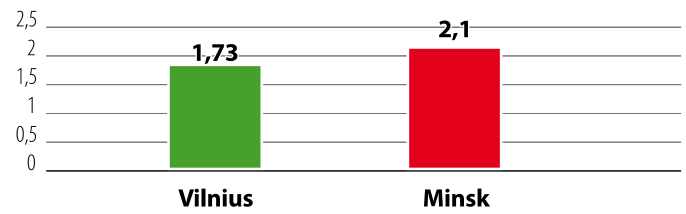
Vilnius	
Cinema	**Movie**
„Coca-Cola Plaza" and Forum Cinemas Akropolis	Ocean's Thirteen; (USA); Transformers; (USA) 28 Weeks Later; (Great Britain); Die Hard 4.0; (USA) The Messengers; (USA, Canada) Hot Fuzz; (Great Britain) Evan Almighty; (USA) Shrek the Third; (USA) Death Proof; (USA) Goya; (Spain, Czech Republic, Great Britain) Pirates of The Caribbean : At Word's End; (USA) Equator; (Russia) Wild Hogs; (USA)

Minsk	
Cinema	**Movie**
„Aurora"	Transformers; (USA) Curse of the Golden Flower; (China)
„Auto-kinoteatras"	Byzantine Princess; (Italy, Spain, Great Britain)
„Brestas"	Waiting for the Miracle; (Russia)
„Dom kino"	Die Hard 4.0; (USA)
„Družba"	TMNT (Teenage Mutant Ninja Turtles); (USA) The Fantastic Four 2; (USA)
„Kijevas"	Ocean's Thirteen; (USA);
„Komsomolec"	Loser; (Russia) The Ugly Ducking and Me; (USA) Evan Almighty; (USA)
„Mir"	The Winner; (USA) Die Hard 4.0; (USA) Goya (Spain, Czech Republic, Great Britain);
„Maskva"	Happily N'Ever After (USA, Germany); Transformers; (USA);
„Pionierius"	Nanny McPhee; (USA);
„Pabeda"	Die Hard 4.0; (USA)
„Raketa"	Chicken Little; (USA) The Fantastic Four 2; (USA)
„Saliutas"	Transformers; (USA); Curious George;
„Centrinis"	28 Weeks Later; (Great Britain); Blades of Glory: Kick Some Ice; (USA)
„Elektron"	Evan Almighty; (USA) Catch a Wave; (Japan) Flushed Away; (USA)



Fig. 17[1]: Average beer prices

A comparison of average beer prices in a bar (EUR)



Source: In Lithuania the survey was carried out by the Eastern Europe studies Centre

Fig. 18[2]: Taxi fares

A comparison of taxi fares (EUR)



[1] Average price for a glass of beer (0.5 l) in bars (excluding restaurants).

[2] The data were collected via a direct survey of taxi companies.

A COMPARISON OF THE REPERTOIRES OF THE BELARUS NATIONAL ACADEMIC BALLET THEATRE AND THE LITHUANIAN NATIONAL OPERA AND BALLET THEATRE IN MAY 2007

Day, time	Lithuania	
01 d. 18:00	Tout payé – all is paid	Comedy – 2 acts in Russian)
02 d. 18:00	Swan Lake	Ballet (2 acts)
04 d. 18:00	The Force of Destiny	Opera (4 acts in Italian)
05 d. 18:00	Sleeping Beauty	Bballet (2 acts)
08 d. 18:00	Red Giselle	Ballet (2 acts)
09 d. 18:00	Zorba the Greek	Ballet (2 acts)
10 d. 18:00	A Masked Ball	Opera (3 acts in Italian)
11 d. 18:00	Eugene Onegin	Opera (3 acts in Russian)
12 d. 18:00	The Jewess	Opera (2 acts in French)
25 d. 18:00	The Little Prince	Opera (2 acts in Lithuanian)
26 d. 18:00	The Little Prince	Opera (2 acts in Lithuanian)
27 d. 12:00	The Little Prince	Opera (2 acts in Lithuanian)
Day, time	**Belarus**	
05 d. 11:30	Cipollino	ballet (3 acts)
10 d. 19:00	Spartacus	ballet (3 acts)
13 d. 19:00	Sleeping Beauty	ballet (2 acts)
15 d. 19:00	Don Quixote	ballet (3 acts)
17 d. 19:00	Karmina Burana	ballet (1 act)
17 d. 19:00	Bolero	ballet (1 act)
20 d. 11:30	Nutcracker	ballet (2 acts)
21 d. 19:00	Nutcracker	ballet (2 acts)
23 d. 19:00	Esmeralda	ballet (3 acts)
24 d. 19:00	Romeo and Juliet	ballet (3 acts)
27 d. 19:00	Swan lake	ballet (4 acts)

The internet, telephones and... hair salons

After a wonderful evening at the theatre and in a bar it is usually hard to make oneself move around in the morning. In this case people usually sleep in, and after waking up they plunge into the Internet space – to read the news, to check email, and find out if they have bought a winning lottery ticket. The opportunity to browse the Internet from home is open to 42 % of Lithuanian inhabitants. In Belarus the number is smaller – 35 % (see Figure 19). One may only regret that the data provided are not reliable – according to some sources, only as little as 7- 8% of Belarussians have access to the Internet. Besides, the majority of them does not have the Internet at home, and can only access it from work.

It has to be pointed out, however, that all those who do not have the Internet at home can head for an Internet café, which can be found in all the cities under analysis - Vilnius, Minsk, Šiauliai, and Vitebsk. What differs is



the fee per hour. In this respect those living in Minsk and Šiauliai benefit more than residents of Vilnius and Vitebsk: the former pay as little as 0,58 EUR/h, whereas an hour in Vitebsk costs 0,69 EUR and in Vilnius – as much as 0,72 EUR (see Figure 20).

Naturally, the Internet is a good thing to have, but one could do without it in one way or another. The telephone is something different though – this invention of the late 19th century is arguably the most important means of communication, and its capacities are hard to overestimate. Thus, the modern youth cannot walk a single step without a mobile phone. In this respect it is obvious that Lithuanians have mastered the mobile connection better than the Belarussians: per 1000 inhabitants, there are twice as many Lithuanians having a mobile phone as Belarussians. The latter still prefer (or are forced

Fig. 19[1]: Residents who have Internet access

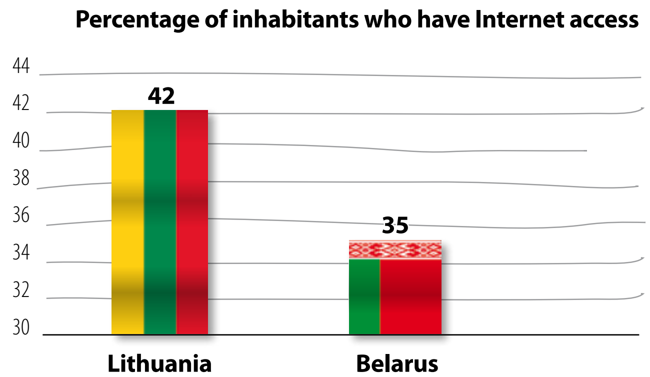
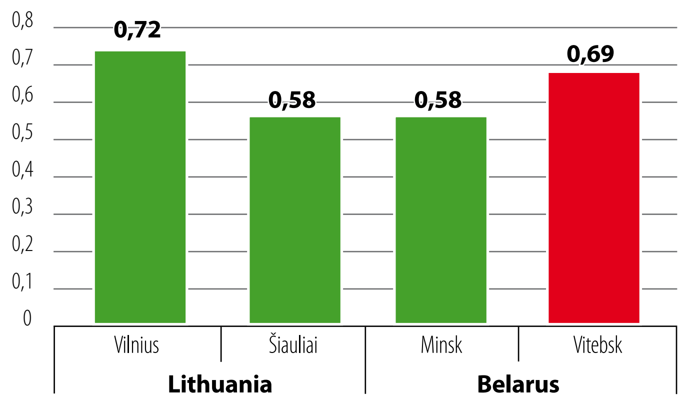


Fig. 20[2]: Per hour fee at an Internet café (EUR)



1 Sources: In Lithuania – The Department of Statistics of LR; In Belarus - Ministry of Statistics and Analysis.

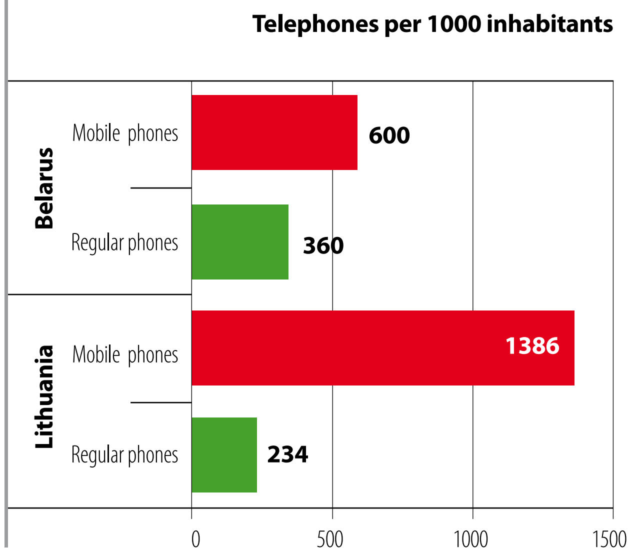
2 The data were collected via a direct survey.



to) use regular telephones: the number of regular phones per 1000 Belarusian citizens is 1.5 times as many as per 1000 Lithuanians (see Figure 21).

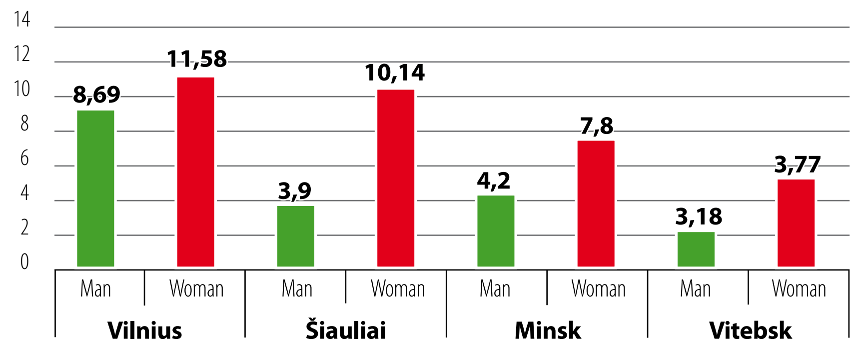
A call to the hair stylist can be made both from the regular phone and the cell phone. The hair stylist will cut and style one's hair in accordance with the latest fashion trends. Prices for hair salons vary greatly both in Belarus and Lithuania. Although Vilnius is

Fig. 21[1]: The number of regular phones and mobile phones



1 Sources: In Lithuania – The Communications Regulatory Authority of LR; In Belarus - Ministry of Statistics and Analysis, World Bank

Fig. 22[1]: Prices at a hair salon (EUR)



the obvious centre of hair fashion (as well as the highest prices), one might encounter the same prices in Šiauliai as well as Minsk or Vitebsk (see Figure 22). Generally however, to do a hair style in Belarus is cheaper than in Lithuania.

A short overview of prices in Lithuania and Belarus reveals that a lot of goods and services necessary in daily life are less expensive in Belarus than in Lithuania. Therefore, if the income size is not taken into consideration, life seems easier in Belarus as the amount of money spent on consumption there is remarkably lower than in Lithuania.

However one should bear in mind that Belarus and Lithuania differ with respect to income size. Thus, an average Lithuanian earns a lot more money than an average Belarusian. We can make an assumption that the ultimate result is the same, viz. Lithuanians earn more, whereas Belarussians enjoy lower prices.

In fact, in terms of relative prices (the relation of salaries to prices), Belarussians' advantage looks totally different – a composite overview and distribution of the income and expenses of Lithuanians and Belarussians discussed in these sections is presented in the table in the Appendix. The table reveals that Belarussians find it more difficult to earn a living than Lithuanians, even though they can easily cope with paying for utility services. In this way, it is still unclear where life is better, which makes us proceed.

Taxes, taxes, taxes...

The 2007 World Bank report „Paying Taxes. The Global Picture" starts with the following words:

Tax collection has long been a despised activity. But taxes are essential. Without them there would be no money to build schools, hospitals, courts, roads, airports or other public infrastructure that helps businesses and to society to be more productive and better off.

Still, there are good ways and bad ways to

1 Source – the data were collected via a direct survey.

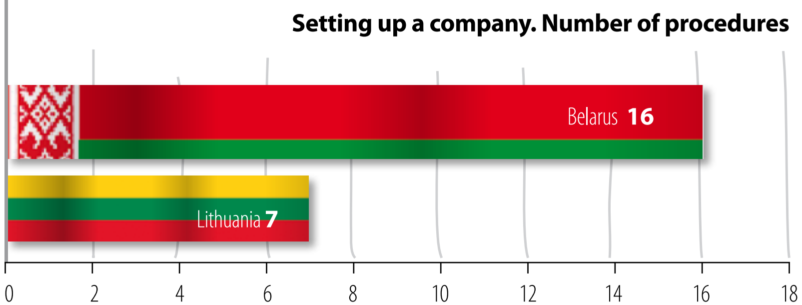


collect taxes. Imagine a modest-sized business – Taxpayer Co – that produces and sells consumer goods. In Hong Kong the business pays one income tax, one labour tax, one property tax and one fuel tax totaling 29% of profits. It takes 80 hours to comply with tax requirements. Meanwhile, in Belarus Taxpayer Co is subject to 12 taxes, including an income tax, sales tax, value added tax (VAT), transport duty, three labour contributions, land tax, property tax, ecological tax, fuel tax and a turnover tax where taxes are paid on inputs and again on outputs. Despite many deductions and exemptions, required payments add up to 186% of profits - which, in an extreme case could lead to business failure or tax evasion. The business would make 125 tax payments to three agencies, all by paper, and spend 1,188 hours doing so. Tax refunds would take two years to process. This complexity and delay make Belarus' tax system among the world's most burdensome. Most companies can't afford to declare all their output, and 42% of business activity therefore goes unrecorded[1].

To paraphrase, according to Belarusian laws, in a situation like the one depicted above a private enterprise earning $1000 US per year has to pay $1860 US of taxes to the state… If so, how can one afford to buy cheap milk or bread? By all means, taxes are one of the most urgent problems to any company that starts its independent legal activities in Belarus. In fact, apart from the burdensome tax system, one should point

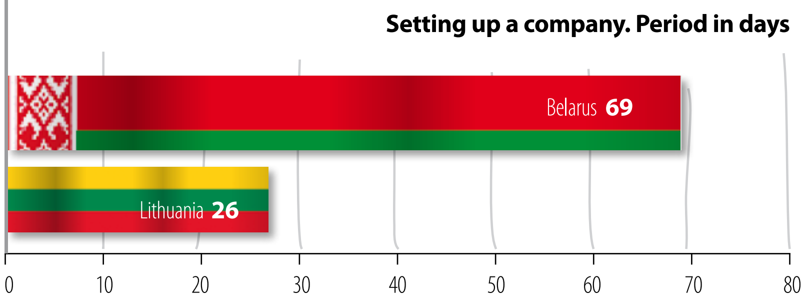
1 Paying Taxes. The Global Picture. – World Bank, 2007.

Fig. 23[1]: The bureaucratic process of setting up a company (in terms of the number of procedures)



Source: World Bank

Fig. 24[2]: The bureaucratic process of setting up a company (in terms of the number of days)



Source: World Bank

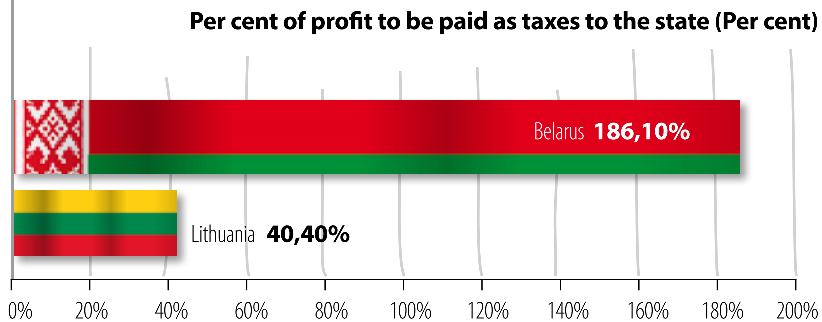
out that the procedures and terms for setting up a company or individual business are just as complicated. As estimated by the World Bank, in order to start up a business one has to go through as many as 16 bureaucratic procedures, which takes up to 69 days. To compare, starting a business in Lithuania results in 7 procedures which take up to 26 days (see Figures 23 and 24).

Besides, business taxes are remarkably lower in Lithuania: here the above mentioned Taxpayer Co has to pay 48% of profits to the state. Therefore, having earned $1000 US of profits, the business has to pay $480 US of taxes, which means that it is three times easier to do business in Lithuania, while profits are four times the size of those earned in Belarus. In fact, in Belarus there are no profits left at all – see Figure 25.

Perhaps it is due to the circumstances presented above that a much greater part of Belarusian population is employed in the state sector rather than the private one, providing for the larger part of the GDP. In Lithuania the situation is just the opposite – people enjoy having more freedom and more opportunities to run individual (private) business, which accounts for the greater number of

1 Doing Business 2007. How to reform? – World Bank, 2007.
2 Ibid.

Fig. 25[1]: Tax payments



Source: World Bank

those employed in the private sector as well as the greater GDP produced. The private sector in Belarus produces as little as 25% of the GDP versus 75% of the GDP produced in Lithuania[2]. According to the 2007 Index of Economic Freedom, Belarus is the only European state where freedom of economic activities is assessed as „being under pressure"; according to this Index, the country takes the last, 41st, place.

On the global level, the economic freedom of Belarus is also assessed as low, and the country itself takes the 145th place. To compare, in terms of economic freedom, Lithuania takes the 14th place in Europe and the 22nd place in the world[3].

Undoubtedly, one has to consider both sides of the medal and seek to give as objective an assessment as possible. Assuming that taxes collection enables the state to spend them in order to promote the well-being of its citizens, it would be logical to think that social guarantees given by the state must be much higher in Belarus than in Lithuania. Let us turn to numbers. The minimum salary appointed by the state amounts to 203 EUR in Lithuania[4] versus 64 EUR in Belarus[5]. In May 2007 the average seniority pension amounted to 167 EUR in Lithuania and to 99 EUR in Belarus[6]. The average monthly salaries have already been discussed.

So what view do we get? High taxes in Belarus are not conducive to better social guarantees. The level of social security is essentially the same, although, for instance, health insurance payments are higher in Belarus constituting 36% of salary, while in Lithuania they amount to 34 %. (see Figure 26).

One might assume that, since Belarussians earn less, they are forced to work more and have to pay higher taxes. Holiday spending trends reveals that this assumption is reasonable. Thus, for example, Lithuanians have more money to spend on holidays abroad (see Figure 27).

It is very hard to provide an explanation to such situation. Neither do the authorities

1 Paying Taxes. The Global Picture. – World Bank, 2007.
2 Source – European Bank of Reconstruction and Development, 2006.
3 Source: FreedomHouse.org.
4 Source – Ministry of Social Security and Labour of LR.
6 Ibid.
5 Source – Ministry of Labour and Social Protection.

Fig. 26[1]: Amount and structure of health insurance payments

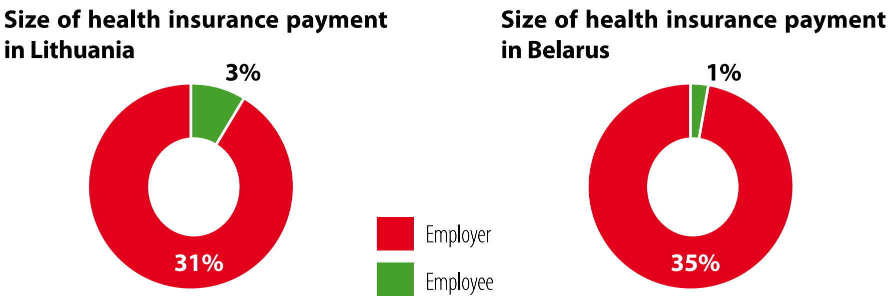
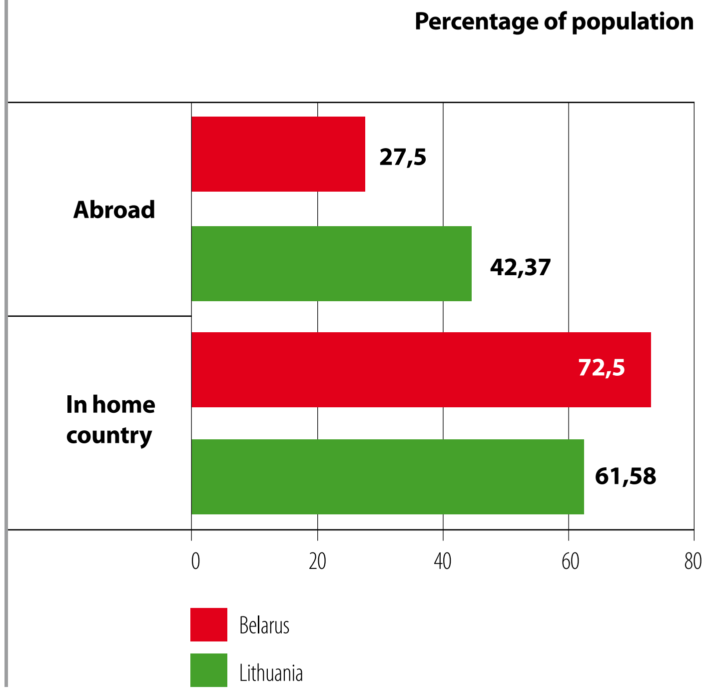


Fig. 27[2]: Holiday spending trends



1 Sources: In Lithuania – Ministry of Social Security and Labour of LR; In Belarus – Ministry of Labour and Social Protection.

2 Sources: In Lithuania – Lithuanian State Department of Tourism; In Belarus – a public opinion poll conducted by the Independent Institute of Socio-Economic and Political Studies (IISEPS) in April–June, 2006: http://www.iiseps.org.

of Belarus allow their citizens to earn, nor is the fate of the enormous amount of the collected taxes transparent. One might suggest that Belarus takes pride in having absolutely free healthcare system. As is known, President of Belarus Alexander Lukashenka has criticized any paid healthcare services. However, in private conversations Belarussians argue that free healthcare system is but a myth, and that a bribe is a usual attribute of any medical treatment...

This information is confirmed by the Corruption Perceptions Index (CPI)[1], published yearly by the „Transparency International" , which ranks countries according to respondents' views towards the extent of corruption of civil servants and politicians employed in the public sector of their country. According to the 2006 Index, Belarus was the 151st in the world (CPI = 2.1), whereas Lithuania was at the 46th place (CPI – 4,8)[2]. One should not be surprised by these results due to the fact that the huge bureaucratic apparatus and the lengthy procedures (remember Figures 23 and 24) merely encourage one to look for alternative ways to expedite some of the processes...

An old Communist slogan says, „From everyone - according to his capacities, to everyone – according to his needs". Assessing the situation one might think that this principle finds reasonable application across Belarus. The problem is that under present conditions the needs of individuals are determined by the state. In other words, the average Belarusian citizen has far less individual freedom of choice than the average Lithuanian. This view is confirmed by the above mentioned huge restrictions on starting a new small individual business. Therefore, today the major difference between Lithuania and Belarus is in that one country promotes market economy, while the other is pursuing a certain form of Communism / Socialism. Lithuania seeks to provide its citizens with as many opportunities to create a quality way of life as possible. Meanwhile, Belarus does its best to work towards societal welfare by taking all that is possible and redistributing it.

Which is more optimistic?

Both Belarussians and Lithuanians want to live better: to have a job they like, to make decent money, to choose the way of life they wish, and to spend holiday wherever they decide. The question which of the states has selected the more successful strategy to promote its' citizens well-being can be answered by looking at the ratio of optimists and pessimists across the countries. Figure 28 shows that there are more optimists who believe in a better future in Lithuania than in Belarus. Consequently, the number of pessimists in Lithuania is lower than that in Belarus.

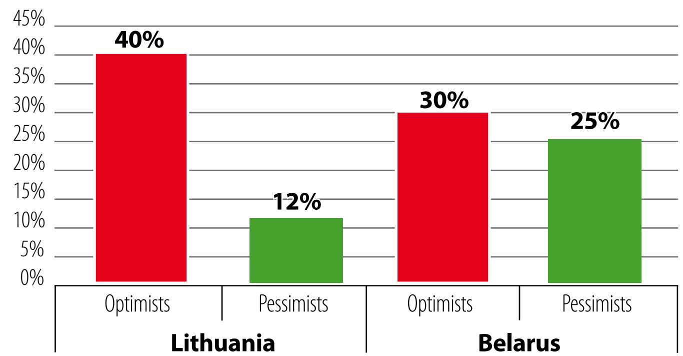
Interestingly, in November 2006 the number of pessimists in Belarus was twice as low, amounting to just about 10%. The suddenly risen rate of pessimism is most

1 This is a composite index calculated on the basis of surveys of experts and businessmen conducted by independent reputable institutions. The CPI reflects attitudes to corruption from all over the world, including experts residing in the countries under analysis. The CPI focuses on public sector and defines corruption as „the misuse of entrusted power for private gain". Source: Transparency International, www.transparency.org.

2 On a 10 point scale system, 0 stands for absolute corruption, and 10 stands for minimal corruption level.

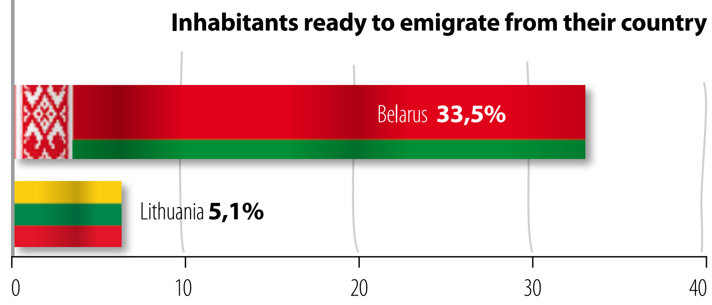


Fig. 28[1]: The ratio of optimists and pessimists



[1] Sources: In Lithuania – a public opinion poll conducted by "Baltijos tyrimai" in December 2006; In Belarus - a public opinion poll conducted by IISEPS in January 2007.

Fig. 29[1]: The percentage of inhabitants ready to emigrate from their country



Sources: In Lithuania - Spinter Tyrimai, January, 2006; In Belarus - Independent Institute of Socio-Economic and Political Studies.

likely connected with the Russian-Belarusian energy conflict which took place early in 2007 resulting in a temporary cut of gas and oil supplies, and which was followed by a deal on the price for energy resources which within 5 years is to reach the European rate.

It should be pointed out that until the end of 2006 the price Belarus had been paying Russia for the imported natural gas was nearly the same as the one established at Russia's market - \$47 US for 1000 m^3. In 2007 Belarus more than doubled its payments amounting to \$100 US. The gas prices will keep growing in a similar fashion until they have finally reached the European level – about \$250 US. One can hardly expect that with growing gas prices the number of optimists in Belarus should increase – especially if the state does not find alternative ways to develop its economics.

On the other hand, this situation shows that in terms of energy, Belarus depends greatly on Russia, let alone the dependence on the export markets in Russia. Fortunately, Belarusian citizens are aware of this problem, as can be seen from the decreased number of the optimists after the prices had leaped. Unfortunately, the authorities of Belarus do not show any wish or ability to diminish this dependence.

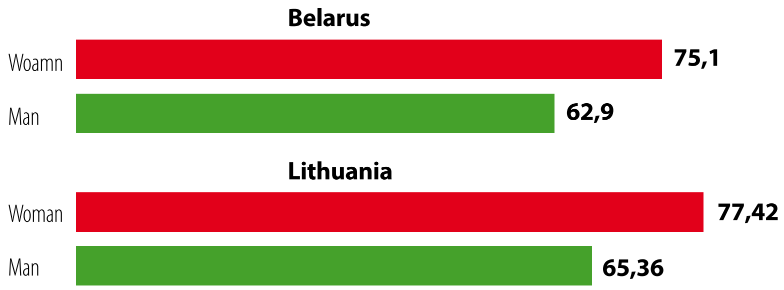
According to the estimates of Belarusian analytic centre„Strategy", in the past fifteen years Belarus has yearly received around \$ 8.3 billion US of support[2], which amounts to nearly 8,7 billion EUR. Russian political scientist G.Pavlovski estimates that, over those fifteen years, the sum total Russia's support to Belarus has constituted \$80-85 billion US[3](about \$ 5.5 billion US or about 5,7 billion EUR per year). However, since the Russian-Belarusian „gas war" the amount of this support has started to diminish, while the support of the European Union to Lithuania has started to grow. Since its

[1] Sources: In Lithuania – a public opinion poll conducted by„Sprinter tyrimai" in January 2006; In Belarus – a public opinion poll conducted by IISEPS in June 2007.

[2] Russia will help Belarus anyway /Россия все равно будет помогать Беларуси/: http://naviny.by/rubrics/finance/2007/02/14/ic_articles_114_149712/print/.

[3] The arithmetic and ethics of Russian-Belarussian relationships /Арифметика и этика белорусско-российских отношений/: http://naviny.by/rubrics/politic/2007/02/12/ic_articles_112_149689/print.

Fig. 30[1]: Average life expectancy



accession to the EU till the end of 2006, the amount of support Lithuania had received from the Structural Funds, was estimated at 1,2 billion EUR – about 0,5 billion EUR per year[2].

The degree of citizens' satisfaction with the socio-economic conditions in their country can also be seen from the answer to the question „Would you emigrate/leave your country forever if there were a possibility?" According to public opinion polls conducted both in Lithuania and Belarus, Lithuanians are more satisfied with their life, hence the lower number of those willing to emigrate (see Figure 29).

For the sake of objectivity it has to be said that the low percentage of Lithuanians who are ready to emigrate cannot be absolutely reliable due to the fact that, according to various sources, up to 10% of Lithuanian citizens have already left Lithuania for permanent residence abroad.

Finally, average life expectancy also sheds points to better life conditions in Lithuania. Lithuanian men and women live longer – on average by two and three years respectively (see Figure 30).

Thus, public opinion and other data tend to suggest that Lithuanians are more satisfied with living in Lithuania under present socioeconomic conditions than Belarussians. It is not possible to state for sure that Belarussians are absolutely dissatisfied with their life, but one can see with bare eye that there is definitely way for improvement in Belarus, primarily increasing self-sufficiency among its citizens and providing for better conditions in the development of private initiative.

Everybody can make their own conclusions...

1 Sources: in Lithuania – The Department of Statistics of LR; in Belarus – Ministry of Statistics and Analysis.
2 Source: www.esparama.lt.



GOODS	TIME ONE NEEDS TO WORK TO BE ABLE TO PURCHASE GOODS OR SERVICES							
	LITHUANIA				BELARUS			
	Supermarket		Market		Supermarket		Market	
Rye bread, 1 kg	≈17 min		16 min		≈21 min		≈18 min	
Pork loin, 1 kg	≈1 h 35 min		1 h 30 min		≈2 h 9 min		2 h 20 min	
Milk, 1 l	≈11 min		≈12 min		≈17 min		≈15 min	
Apples, 1 kg	≈18 min		≈18 min		≈54 min		54 min	
Petrol (A 95) , 1 l	≈20 min		≈20 min		≈33 min		≈33 min	
TV set (51 cm diagonal, colour)	Regular		LCD		Regular		LCD	
	2 days 10 h 13 min		6 days 12 h 30 min		2 days 21 h 20 min		8 days 19 h 25 min	
Automobile „Volkswagen Golf" (Year of production - 1996)	30 days 12 h 51 min				4 months. 3 days 7 h 50 min			
Accommodation (3-room flat in a block of flats in the suburbs)	Vilnius		Šiauliai		Minsk		Vitebsk	
	34 493 h (≈4 yrs)		22 006 h(≈ 2 yrs 6 months)		43 129 h (≈ 5 yrs)		16 068 h (1 yrs 10 months)	
UTILITY SERVICES								
	Vilnius		Šiauliai		Belarus			
Cold water, 1 m^3	≈25 min		≈29 min		≈5 min			
Hot water, 1 m^3	1 h 3 min		1 h 10 min		2 h 9 min			
Electricity, 1 kWh	2 min		2 min		1 min 30 sec			
Natural gas to private users, 1 m^3	≈7 min		≈7 min		≈3 min			
PRICES FOR MAIN SERVICES								
	Vilnius		Šiauliai		Minsk		Vitebsk	
A ticket for an individual trip in public transport	≈7 min		≈6 min		≈8 min		≈6 min	
A ticket to the cinema	1 h 10 min		1 h 7 min		1 h 45 min		1 h 8 min	
A ticket to the theatre	≈4 h 51 min		≈1 h 17 min		1 h 46 min		4 h 24 min	
Internet (1 h at an Internet cafe)	≈15 min		≈12 min		≈25 min		≈30 min	
A visit to hair-stylist	Men	Women	Men	Women	Men	Women	Men	Women
	3 h 4 min	4 h 6 min	1 h 23 min	3 h 35 min	3 h 4 min	5 h 42 min	2 h 20 min	2 h 45 min
	Vilnius				Minsk			
A glass of beer in a bar (0,5 l)	37 min				1 h 31 min			
Taxi services (price for 1 km)	≈10 min				≈15 min			

Over the Hedge:
Comparing life in Lithuania
and Belarus

Eastern Europe Studies Centre

Editor – Laurynas Jonavičius

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